

PHILIP MORRIS MANAGEMENT CORP. INTER-OFFICE MEMORANDUM
120 PARK AVENUE, NEW YORK, NY 10017-5592

TO: Distribution **DATE:** November 8, 1999
FROM: William F. Lynch III
SUBJECT: Records Disposal Suspension Notice

In connection with litigation recently brought against the Company by the U.S. Government, the Company is obligated to preserve all documents that may be relevant to the case. Those documents have been identified previously in Appendix A (for PM Companies Inc., PMMC and PM USA) of the companies' Records Management Manuals and various Notices of Disposal Suspension.

In general, **records that reflect information about the following topics have been placed under disposal suspension** in connection with smoking and health-related legal proceedings:

- research and development concerning tobacco or tobacco products;
- related health issues, including ETS and fire safety;
- chemical properties of tobacco, tobacco products or smoke;
- use of pesticides or genetic engineering in tobacco growth;
- tobacco formulas, recipes or filter composition;
- tobacco processing and testing;
- cigarette manufacturing processes and methodologies with respect to tobacco or tobacco products that are manufactured and sold in the United States;
- the marketing and sale of tobacco or tobacco products in the United States (including information about advertising, promotions and consumer preferences); marketing plans and strategies (**anywhere**) (discussing which markets or segments to target and ways of reaching them); and marketing materials (**anywhere**) that discuss health claims or relate to youth smoking;
- government regulation of tobacco products, including lobbying efforts, in the United States;

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- records retention, storage and disposal policies or practices;
- routing policies or practices for communications between Philip Morris facilities in the United States and laboratories located outside the United States; and
- any other specific topics of current disposal suspension notices.

The list above merely summarizes the smoking and health topics to which disposal suspension requirements apply. Appendix A and current Notices of Disposal Suspension relating to smoking and health proceedings, copies of which have been distributed previously, provide more detailed guidance.

Please remember that (1) disposal – suspended documents must be retained as they were organized for business use (folders, etc.); (2) electronic documents that can be printed must be retained in printed form; (3) drafts must be retained if they were ever circulated or filed for future reference, or if they have not been superseded by a later retained draft (or final); (4) you must retain identical copies unless the original has been retained and it (or a separate retained record) reflects that a copy was sent to you (for example, if your name appears on a distribution list); and (5) documents copied from a Website or document management system are also subject to these rules.

Please be advised that any failure to adhere to these requirements could subject you to discipline by the Company, as well as possible civil and/or criminal penalties.

If you have any questions, please contact me at 917-663-4019 (New York). Thank you.

WFL/js

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Philip Morris Companies Inc.
Philip Morris Incorporated (PM USA)
Philip Morris Management Corp.

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Cc:

Martin J. Barrington - New York
Russell Bertelsen - New York
William A. Brandt Jr. - New York
Lewis Cummings - Richmond
Carla Gregory - Richmond
Kenneth V. Handal - New York
William Holler - New York
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